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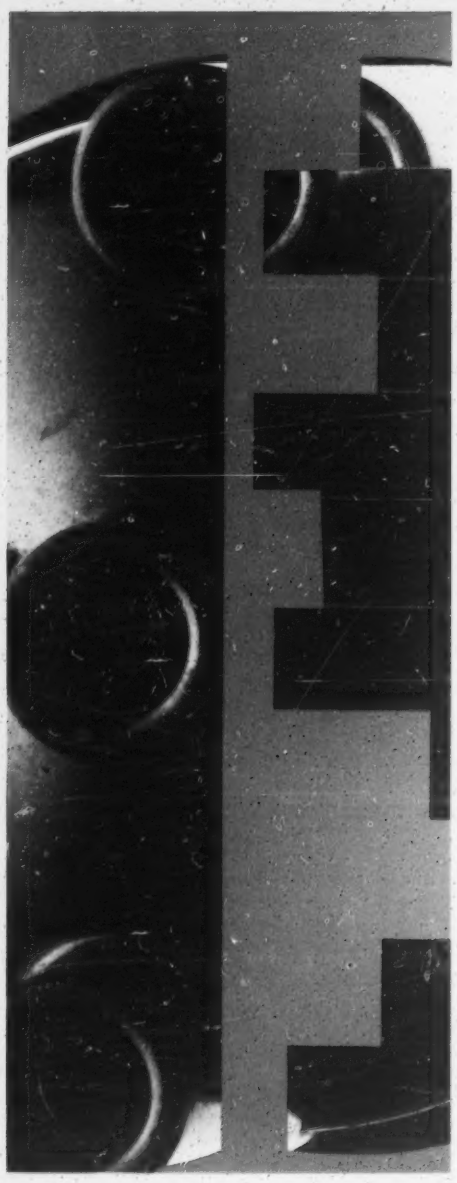

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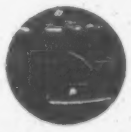

JESSE H. NEAL AWARD-WINNING PUBLICATION FIVE OUT OF EIGHT YEARS

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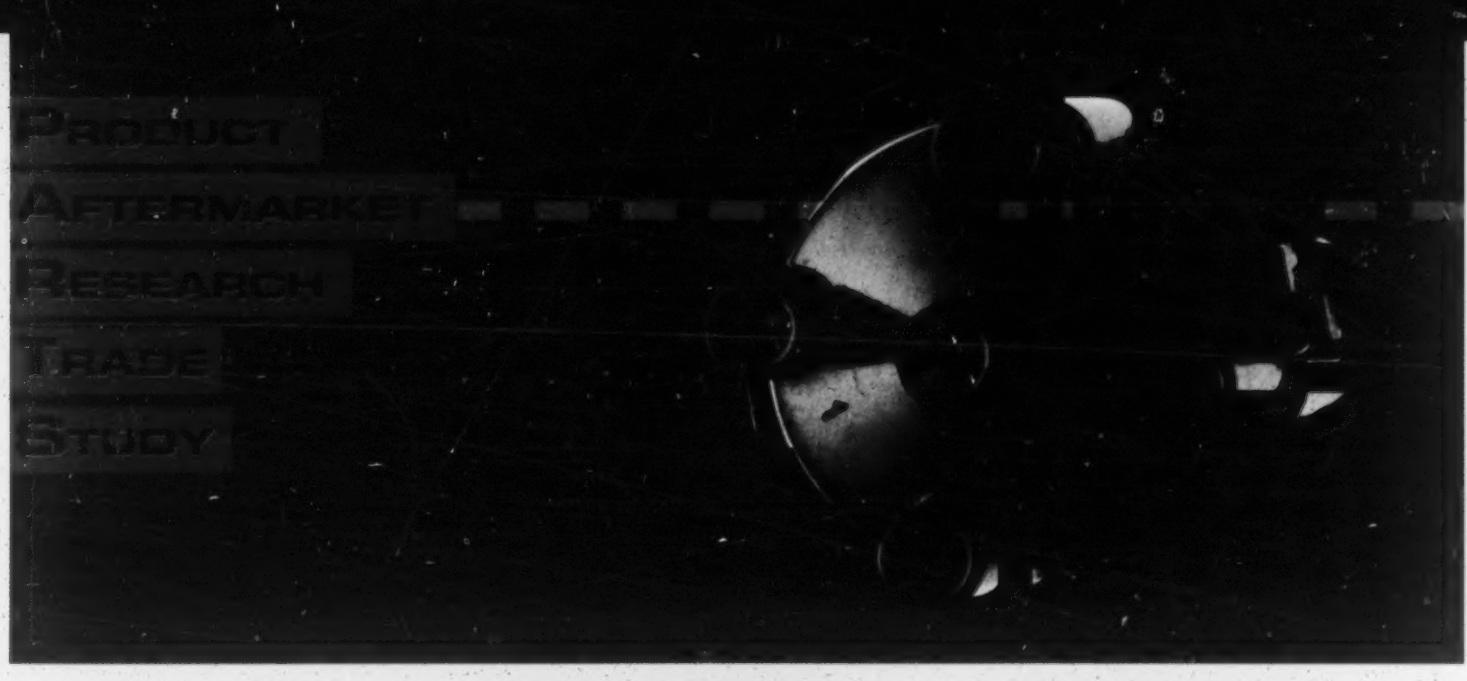
Product Aftermarket Research Trade Study



To learn about the performance of certain aftermarket product categories, we sent out several thousand surveys to company executives across the country. We received usable responses from 536 of them, slightly more than the 464 outlet executives who responded to a similar survey last year.

We've broken down their responses by the number of SKUs (stock keeping units, or part numbers) they stock, so that the reader's outlet can be compared in its results by product against the mean of outlets of a similar type.

Generally, we felt that outlets stocking 5,000 or fewer SKUs of automotive products were volume retailers. They are often the automotive departments of discount or department store chains or outlets such as supermarkets and hardware stores. In all, we received responses from 159 such outlets or outlet headquarters.

Many of these are traditional "mom and pop" jobbing stores. In all, over half (52%) of the outlets stocking in the under 5,000 SKU range said they were independent stores. However, 77% of those stocking in this range have only one store, presumably there's another type of outlet, perhaps a WD or service outlet, with the almost a quarter of the respondents who said they weren't independent but represented only one store.

We placed outlets stocking between 5,000 and 14,000 SKUs as typical auto parts stores, sometimes tending towards more retail sales and sometimes tending towards more jobber sales, but always with a little of both. We received responses from 56 such outlets.

Most of these outlets, by the way, were part of larger chains. In all, only 36% of our respondents stocking in this inventory range said they were independent. The rest reported to a chain headquarters.

Outlets with some 15,000 or more SKUs rate as serious aftermarket outlets. Over half of the outlets who responded to the survey who stocked this many parts (54%) said they were independent. However, while the majority of these outlets therefore have to be jobbers, there are a number of serious auto parts retailers, such as Pep Boys and Sears, with super stores stocking comfortably in this range. Therefore, one can't automatically dismiss all their sales as strictly wholesale. And the results by product category confirm this. There were, in all, a surprising 294 outlets which stocked these many SKUs in their auto parts, chemicals, and accessories inventories. ■

WHO STOCKS AUTOMOTIVE SKUs

We asked what chains considered themselves. Then we compared their own definitions with the number of automotive SKUs they stocked. "Retailers" called themselves "automotive retail chains". "Jobbers" said they were jobbers or jobber/retailers. "Indept." refers to those calling themselves "independent chains." And, "non-auto" includes chains like discount, general merchandise, and hardware store and supermarket chains, for example.

Chain type	-5M	5-14M	+15M
Retailer	4%	21%	8%
Jobber	21	36	35
Independent	52	36	54
Non-Auto	21	4	3

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

NUMBER OF STORES IN THE CHAINS

We asked how many stores there were in responding chains. Then we compared those answers to the number of SKUs they stocked. We got a mean number of stores categorized by SKUs stocked. This shows us that the chains stocking fewer SKUs were smaller in size than those stocking more SKUs; i.e., single store operations were not necessarily jobbers with a deep inventory.

Chain type	-5M	5-14M	+15M
# of stores	3	29	18

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

AUTO PRODUCT SALES

We asked responding chains what percentage of their sales were created by selling automotive products. The results were somewhat unexpected. One might think that the deeper the inventory, as a mean, the higher the percentage of sales were created by auto product sales. Yet, chains stocking over 15,000 SKUs said they did smaller sales of auto products then those carrying under 5,000 SKUs.

Chain type	-5M	5-14M	+15M
Mean sales %	55%	60%	49%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on automotive products. Then we categorized the responses by the number of auto product SKUs they stocked. One might expect higher margains on average in chains stocking larger inventories with slower moving products which have higher margains. Yet margains differed very little between all the chain types.

Chain type	-5M	5-14M	+15M
Margins	34%	38%	38%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN SQUARE FOOTAGE

We asked responding chains what their mean square footage of display space devoted to automotive products in their average store was. As expected, the more inventory, the more space used to display it.

Chain type	-5M	5-14M	+15M
Mean sq-ft	3,524	3,919	5,153

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN NUMBER OF SKUs

We asked responding chains what their mean number of automotive product Stock Keeping Units (SKUs) were.

Chain type	-5M	5-14M	+15M
Mean SKUs	100	10,000	23,000

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN NUMBER OF EMPLOYEES

We asked responding chains what their mean number of employees they had in their auto parts departments were.

Chain type	-5M	5-14M	+15M
Employees	5	7	6

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHAT PRODUCTS THEY STOCK

We asked responding chains specifically what automotive products they stock, then broke the responses out by the number of SKUs they stock.

Chain type	-5M	5-14M	+15M
Air/oil filters	82%	92%	88%
Antifreeze	91	89	94
Batteries	77	89	82
Battery chargers	57	76	69
Body repair	56	76	65
Car washes	59	76	69
Engine treatment	74	78	78
Floor mats	43	76	54
Motor oil	88	89	94
Oil/gas additives	79	87	81
Protectants	78	81	76
Seat covers	28	57	40
Security	33	57	38
Spark plugs	74	92	87
Tire care	60	78	72
Tire inflators	60	84	71
Tune-up	68	87	79
Upholstery chemicals	58	81	73
Wax	76	87	81
Wipers	78	92	84

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

PRODUCT AFTERMARKET RESEARCH TRADE STUDY

BATTERIES

Stocking batteries brings the selling outlet special storage problems since they are both bulky and contain potentially harmful chemicals. Hence, batteries are not the type of product that many mass merchants offer for sale. Nonetheless, 80% of all the outlets who responded to our survey stocked and sold batteries. And a perhaps surprising 77% of all outlets which carried only 5,000 or even fewer automotive SKUs also stocked and sold batteries.

Although it's heat that kills batteries, they fail more obviously in cold weather and many areas of the country haven't had extremely cold winters for several years now. So batteries haven't been replaced as much as they could have had temperatures been lower. Given these many aging batteries out there under car hoods, those projecting future sales see a good growth in the potential sales of batteries; some 9% growth is seen by outlets across the board.

Given the seasonality of battery sales, it is interesting to see how often they are promoted. Mass merchants with only 5,000 or fewer SKUs only promote them a couple of times a year. However, the average jobber or jobber retailer, stocking between 5,000 and 14,000 automotive SKUs, promotes them every other month, making them some of the most promoted of the automotive products we considered.

Batteries are widely promoted directly by manufacturers to consumers through national media advertising. Yet, outlets with 14,000 or fewer SKUs on average carry only one battery brand, while those with even more SKUs still stock an average of two brands.

An interestingly large percentage of these brands are private label brands, as well. In all, almost a quarter of the typical jobbers and jobber/retailers out there say the brand of battery they stock is a private label brand. And 13% of outlets with 15,000 or more automotive SKUs include a private label brand among the two brands on average they carry.

However, they carry a large number more SKUs. The outlets with 5,000 or fewer SKUs tend to carry only the basic types, according to function and price point, with only ten SKUs. However, outlets with over 5,000 SKUs carry on average a swinging 30 battery SKUs, for every consumer purpose and purse.

Finally, batteries take up a lot of floor space, on a sales room floor or in a storage area. The average jobber or jobber/retailer uses the least amount of space to store their batteries at only 21 square feet. But every other type of outlet uses, on average, at least 30 square feet. ■

BATTERIES PROJECTED GROWTH

We asked chains if they saw any growth in the sales of batteries in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of batteries.

Chain type	-5M	5-14M	+15M
Growth	9%	10%	8%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF BATTERIES

We asked responding chains what percentage of their batteries sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of batteries broken down by chains organized by the number of automotive products SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	27%	34%	38%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL BATTERY SALES

We asked responding chains what percentage of their overall sales were created by the sale of batteries. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	10%	6%	7%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on batteries, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	28%	32%	28%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

BATTERY BRANDS STOCKED

We asked responding chains how many brands of batteries they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive products SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	1	1	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

BATTERY SKUs STOCKED

We asked responding chains how many SKUs they stocked of batteries. The mean results are shown divided according to the total number of automotive products SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	10	30	30

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE BATTERIES

We asked responding chains how many times they promoted batteries annually. Then we came up with the mean number of battery promotions divided by chains listed by the number of automotive products SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	2	6	3

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label batteries or not. Then we showed the mean percentages of how many chains say they have private label batteries, organized by the number of automotive products SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	5%	23%	13%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR BATTERIES

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to batteries.

Chain type	-5M	5-14M	+15M
Space	30	21	38

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS BATTERIES

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	77%	89%	82%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

PRODUCT
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ENGINE TREATMENT CHEMICALS

Engine treatment chemicals are a relatively new product category, the result of space-age technological developments. Yet, they are already the eighth most stocked product of all we studied, with 76% of all outlets stocking and selling these products.

And everyone selling engine treatment chemicals agrees that their future looks rosy. Indeed, the average jobber and jobber/retailer, stocking between five and 14,000 SKUs of automotive products believes that the market for engine treatment chemicals will grow by over 10% during the next year.

Interestingly, those outlets that predict the greatest growth are currently giving the product category the fewest linear feet of display space, at only four feet. Outlets with 5,000 or fewer SKUs give the product category twice the space on average, but see only a 7% growth—still quite a good growth rate, nonetheless.

Engine treatment chemicals are essentially DIY products. Most professional technicians aren't paid to add these to fuel tanks—consumers do that for themselves. And this is indicated by the fact that even the most heavily inventoried distributors, those with over 15,000 SKUs of automotive products, still report wholesale sales of engine chemical products at only a quarter of all their sales.

This makes up quite a nice piece of change, considering that even though the product category is new, all outlets report that it makes up over 2% of all their sales. And, it makes up a percent more among outlets with 5,000 or fewer SKUs in their inventory.

These same outlets are the greatest users by a slight amount of private label engine treatment chemicals. However, the very newness of the product category is indicated in the fact that under 7% of all engine treatment chemical inventory across the boards is in private labels. And that's for the deep inventory outlets, while those with less inventory have even fewer private label engine treatment chemicals in their inventories.

The newness of the product category also helps maintain gross margin levels. They run at over a third across the board, as well. As products gain in consumer acceptance and more competitors enter the field, usually margins tend to drop and price cutting becomes a major tool to gain market share.

As of yet, however, most outlets stock only three or four brands of engine treatment chemicals, and usually only one SKU of each brand.■

ENGINE TREATMENT PRODUCTS PROJECTED GROWTH

We asked chains if they saw any growth in the sales of engine treatment products in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of engine treatments.

Chain type	-5M	5-14M	+15M
Growth	7%	11%	6%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF ENGINE TREATMENT PRODUCTS

We asked responding chains what percentage of their engine treatment products sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of engine treatments broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	18%	23%	25%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL ENGINE TREATMENT PRODUCTS SALES

We asked responding chains what percentage of their overall sales were created by the sale of engine treatment products. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	3%	2%	2%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on engine treatment products, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	34%	37%	33%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

ENGINE TREATMENT PRODUCTS BRANDS STOCKED

We asked responding chains how many brands of engine treatment products they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	3	3	4

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

ENGINE TREATMENT PRODUCTS SKUs STOCKED

We asked responding chains how many SKUs they stocked of engine treatment products. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	3	5	4

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE ENGINE TREATMENT PRODUCTS

We asked responding chains how many times they promoted engine treatment products annually. Then we came up with the mean number of engine treatments promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	1	3	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label engine treatment products or not. Then we showed the mean percentages of how many chains say they have private label engine treatments, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	3%	2%	7%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR ENGINE TREATMENT PRODUCTS

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to engine treatment products.

Chain type	-5M	5-14M	+15M
Space	8	4	7

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS ENGINE TREATMENT

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	74%	78%	79%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

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OIL & AIR FILTERS

If a customer does a complete oil change job, he or she will need a filter as well as oil. So most outlets that stock oil also stock some filters at least; in all, 85% of all outlets we surveyed stocked oil and air filters.

And they're bullish about the growth of filter sales in the future. Every type of outlet sees at least a 10% growth in the market. Outlets that stock 15,000 automotive SKUs or less are even more bullish, on average seeing a 12% growth in the sales of filters over the next year.

This is especially good news since filters make up a sizeable part of overall automotive product sales for every outlet that sells these products. Indeed, both the largest and smallest stocker of automotive products report that filter sales make up around a tenth of all their automotive product sales. The average jobber or jobber/retailer, who stocks between 5,000 and 14,000 automotive SKUs says that the sales of filters make up some 7% of his overall business.

Since across the board, the average gross profit margins hold comfortably at a third or more, this is quite a decent percentage, especially when considered as dollar volume. As might be expected, outlets with fewer automotive SKUs, who specialize in fast-turning part numbers and often use price to move products, admit the lowest margins at a third, while outlets with deeper inventories maintain higher margins.

The number of filter SKUs has risen tremendously over the past decade or so, as part of the overall parts proliferation problem. Therefore, although the number of filter brands the average outlet stocks is fairly small—two among outlets with 15,000 or fewer automotive SKUs and three among outlets with more, on average—the SKU number is higher. And it grows tremendously with the overall number of automotive SKUs the outlet stocks. While outlets offering fewer than 5,000 SKUs stock 32 filter SKUs, those with 15,000 or more automotive SKUs stock a whopping 250 filter SKUs. The average jobber or jobber/retailer tends towards the upper number, stocking some 200 filter SKUs on average.

All these SKUs take up precious square footage of space. The largest outlets put their 250 SKUs in some 137 square feet, on average, while the average sized jobbers or jobber/retailers cram 200 SKUs into some 91 square feet. Even the 32 SKUs outlets offering 5,000 or fewer SKUs still need 51 square feet for their 32 SKUs. ■

FILTERS PROJECTED GROWTH

We asked chains if they saw any growth in the sales of air and oil filters in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of air and oil filters.

Chain type	-5M	5-14M	+15M
Growth	12%	12%	10%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF FILTERS

We asked responding chains what percentage of their air and oil filters sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of air and oil filters broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	33%	38%	46%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL FILTERS SALES

We asked responding chains what percentage of their overall sales were created by the sale of air and oil filters. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	9%	7%	10%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on air and oil filters, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	33%	36%	35%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

FILTERS BRANDS STOCKED

We asked responding chains how many brands of air and oil filters they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	2	2	3

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

FILTERS SKUs STOCKED

We asked responding chains how many SKUs they stocked of air and oil filters. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	32	200	250

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE FILTERS

We asked responding chains how many times they promoted air and oil filters annually. Then we came up with the mean number of air and oil filters promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	2	5	3

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label air and oil filters or not. Then we showed the mean percentages of how many chains say they have private label air and oil filters, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	11%	27%	19%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR FILTERS

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to air and oil filters.

Chain type	-5M	5-14M	+15M
Space	51	91	137

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS FILTERS

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	82%	92%	88%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

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LUBRICANTS

In all, 80% of outlets stock some sort of lubricants. Interestingly, it's the average jobbers and jobber/retailers—those stocking between 5,000 and 14,000 automotive SKUs—who are the most apt to stock lubricants. In all, 87% of these types of outlets say they stock lubricants.

These types of outlets also have the best gross profit margins on lubricants, at 37%, and stock the most brands of all, at 16 different brands. Indeed, that's about the largest number of brands of a single product line of any product line we asked about. They also promote lubricants more often, at five times a year, than other types of outlets.

However, given all this, these jobbers and jobber/retailers devote the smallest amount of square footage of display space, on average, of any of the types of outlets. In all, they average a dozen square feet given over to lubricants. The other outlets all use over 16 square feet on average.

Lubricants are a major product category. Outlets that stock 5,000 or more automotive SKUs report that 3% of their overall sales are made up of lubricant sales. And those with only 5,000 or fewer automotive SKUs still see 2% of all their sales consisting of lubricant product sales.

Lubricants are sold under a large number of brand names, many of which are widely promoted to the buying public. Therefore, outlets tend to stock more brands of these products than many other product categories. Outlets with 5,000 or more automotive SKUs stock, on average, carry five brands, while outlets with smaller automotive SKUs counts tend to stock only four brand names.

However, the number of SKUs doesn't hold to the same level. While as we said the typical jobber or jobber/retailer stocks some 16 lubricant SKUs, outlets with faster turning inventories, under 5,000 SKUs, stock only five SKUs. And, outlets with really deep inventories, over 15,000 automotive SKUs, stock only ten lubricant SKUs. The average lubricant buyer, then, is often better off going to a smaller jobber or jobber/retailer to find what he or she needs than an outlet with a much larger inventory.

There's a good deal of growth yet in the potential lubricant market, outlets of all sizes agree. Outlets stocking 14,000 or fewer automotive SKUs see an average growth of 10%, way above average. And outlets with the really deep inventories, at 15,000 or more SKUs, see almost as much growth, at 7%. ■

LUBRICANTS PROJECTED GROWTH

We asked chains if they saw any growth in the sales of lubricants in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of lubricants. The fewer SKUs they stocked, the more they saw growth.

Chain type	-5M	5-14M	+15M
Growth	10%	10%	7%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF LUBRICANTS

We asked responding chains what percentage of their lubricants sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of lubricants broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	23%	26%	29%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL LUBRICANTS SALES

We asked responding chains what percentage of their overall sales were created by the sale of lubricants. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	2%	3%	3%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on lubricants, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	32%	37%	33%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

LUBRICANTS BRANDS STOCKED

We asked responding chains how many brands of lubricants they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	4	5	5

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

LUBRICANTS SKUs STOCKED

We asked responding chains how many SKUs they stocked of lubricants. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	5	16	10

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE LUBRICANTS

We asked responding chains how many times they promoted lubricants annually. Then we came up with the mean number of lubricants promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	1	5	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label lubricants or not. Then we showed the mean percentages of how many chains say they have private label lubricants, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	5%	7%	9%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR LUBRICANTS

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to lubricants.

Chain type	-5M	5-14M	+15M
Space	16	12	19

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS LUBRICANTS

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	79%	87%	81%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MOTOR OIL

Motor oil is probably the single most important commodity sold, mentioned in virtually every aftermarket retailer advertisement that appears at least once. It's stocked and sold by 91% of all the outlets we surveyed—the second most popular product category of all studied.

Motor oil also makes up a sizeable chunk of aftermarket product sales. Across the board, 7% of all the automotive product sales made by outlets is made up of motor oil, on average. Outlets that tend to stock just the high turn items, have a slightly higher percentage of their sales consist of motor oil, than outlets that store more SKUs.

Most outlets stock an average of six brands of motor oil. But the number of motor oil SKUs they stock varies by the number of overall automotive SKUs they stock. Those outlets that stock only 5,000 or fewer automotive SKUs carry around the same average number of motor oil SKUs as they do brands. However, outlets that stock more SKUs carry around two thirds more SKUs of motor oils, such as 10W30, 5W30, and 10W40, than they do brands.

And, they use a great deal more square footage of display space for oil than do outlets with fewer overall SKUs. While the smaller SKU outlets cram their eight average SKUs into an average area of 52 square feet (those cases take up a lot of space on the salesroom floor), outlets with between 5,000 and 14,000 SKUs put 21 motor oil SKUs into 83 square feet. And outlets with over 15,000 automotive SKUs lavish 1,140 square feet on 22 motor oil SKUs.

As far as all the square feet used by the latter group of outlets, don't forget that some 29% of their sales are wholesale, so they're moving a lot of full cases of motor oil at a time. They need all that floor space.

Motor oil is often used as a loss leader to get consumers into stores. Indeed, outlets across the board report that their average gross profit margins on motor oil are considerably lower, at some 20%, than margins on virtually every other aftermarket product.

Finally, although motor oil is one of the oldest, and hence most mature, product categories in the aftermarket, it's still seen as having a good growth potential. Outlets with the fewest automotive SKUs are the most optimistic about its growth, seeing a 10% growth rate next year. But, those outlets in the 5,000-14,000 SKU inventory range predict an 8% growth rate and outlets stocking over 15,000 SKUs see a comfortable 5% growth rate. ■

MOTOR OIL PROJECTED GROWTH

We asked chains if they saw any growth in the sales of motor oil in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of motor oil. The fewer SKUs they stocked, the more they saw growth.

Chain type	-5M	5-14M	+15M
Growth	10%	8%	5%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF MOTOR OIL

We asked responding chains what percentage of their motor oil sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of motor oil broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	22%	27%	29%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL MOTOR OIL SALES

We asked responding chains what percentage of their overall sales were created by the sale of motor oil. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	8%	7%	6%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on motor oil, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	21%	19%	20%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MOTOR OIL BRANDS STOCKED

We asked responding chains how many brands of motor oil they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	5	6	6

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MOTOR OIL SKUs STOCKED

We asked responding chains how many SKUs they stocked of motor oil. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	8	21	22

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE MOTOR OIL

We asked responding chains how many times they promoted motor oil annually. Then we came up with the mean number of motor oil promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	3	7	4

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label motor oil or not. Then we showed the mean percentages of how many chains say they have private label motor oil, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	17%	36%	24%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR MOTOR OIL

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to motor oil.

Chain type	-5M	5-14M	+15M
Space	52	83	1,140

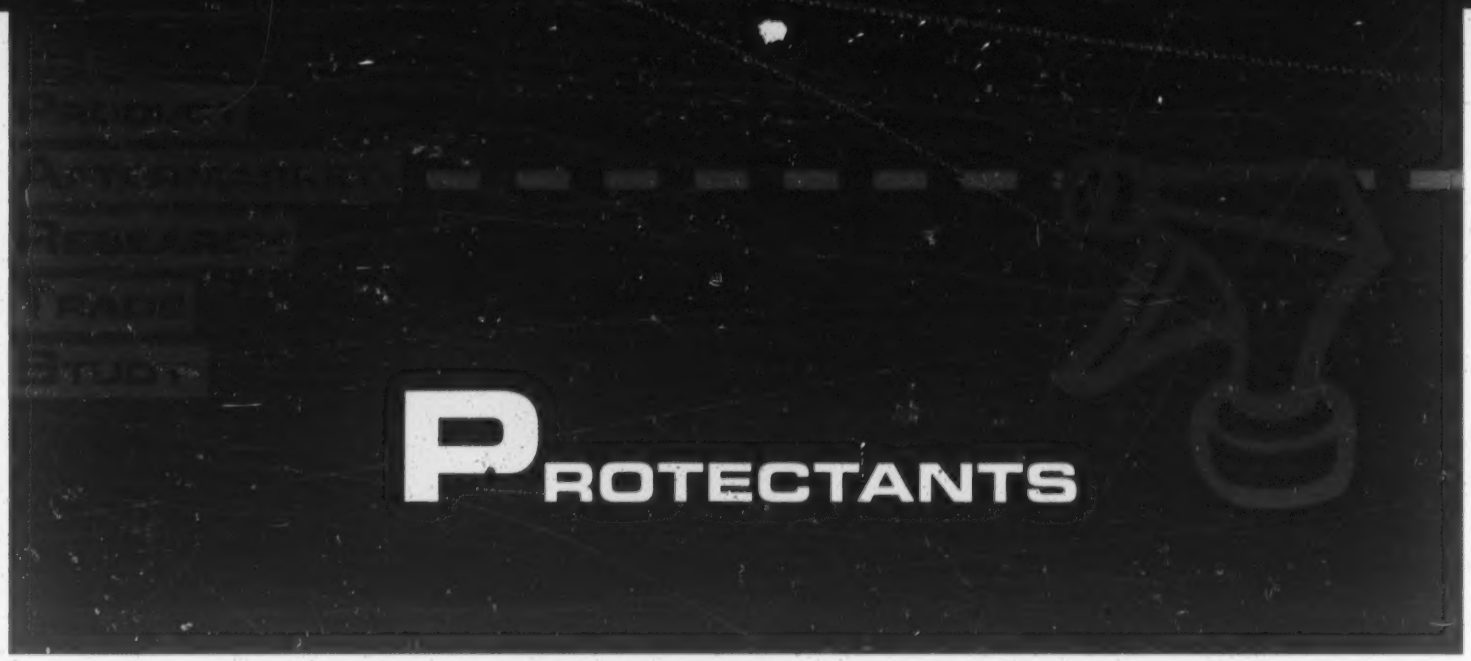
Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS MOTOR OIL

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	88%	89%	91%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*



PROTECTANTS

Protectants of all sorts are carried by over three quarters of all outlets that stock and sell automotive aftermarket products, both wholesale and retail. Exactly 77% of all outlets say they stock and sell these products.

The deepest penetration of the protectant product category is among those outlets with both solid wholesale and retail sales. In all, these outlets, which stock between 5,000 and 14,000 automotive SKUs carry some seven protectant brands and eight protectant SKUs, and promote the category three times a year.

However, they set aside the least amount of linear feet for the display of protectants, at only five linear feet as opposed to the average of 21 linear feet used by outlets with only 5,000 automotive SKUs. Even outlets which are largely wholesaler, with 15,000 or more automotive SKUs have, on average, twice as much space devoted to displaying protectants than do the medium range SKU stockers.

And this difference appears to be reflected in overall sales. Both the larger and smaller outlets report that a greater percentage of their overall sales comes from the sales of protectants than the middle range inventory stocker. Both also, interestingly enough, reported that a considerably higher percentage of their sales are made as wholesale sales than did the middle range SKU stockers, even though protectants are more traditionally a DIY product than a professionally installed product. Indeed, even outlets with only 5,000 or fewer automotive SKUs report 10% more wholesale sales, even though they are traditionally retailers rather than wholesalers, than do jobber/retailers in the medium inventory stocking level range.

What does this mean? It may suggest that the more space devoted to protectants, rather than the number of times protectants are promoted, the greater the sales will be. This is usually the case with impulse items, and even given consumer advertising, it may well be that a fair percentage of protectant sales are as add-on, impulse items, purchased when other cleaning products are being bought.

In any case, a bright future is seen by all outlets in terms of protectant sales growth, with outlets stocking only 5,000 or fewer automotive SKUs being the most enthusiastic about the future of the category. They see a 7% growth in protectant sales over the next year, while even the slightly less enthusiastic outlets with 15,000 or more SKUs in inventory still see a respectable 4% growth as upcoming. ■

PROTECTANTS PROJECTED GROWTH

We asked chains if they saw any growth in the sales of protectants in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of protectants. The fewer SKUs they stocked, the more they saw growth.

Chain type	-5M	5-14M	+15M
Growth	7%	5%	4%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF PROTECTANTS

We asked responding chains what percentage of their protectants sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of protectants broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	25%	15%	22%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL PROTECTANTS SALES

We asked responding chains what percentage of their overall sales were created by the sale of protectants. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	3%	1%	2%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on protectants, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	33%	34%	32%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

PROTECTANTS BRANDS STOCKED

We asked responding chains how many brands of protectants they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	3	7	4

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

PROTECTANTS SKUs STOCKED

We asked responding chains how many SKUs they stocked of protectants. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	3	8	6

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE PROTECTANTS

We asked responding chains how many times they promoted protectants annually. Then we came up with the mean number of protectants promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	1	3	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label protectants or not. Then we showed the mean percentages of how many chains say they have private label protectants, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	6%	7%	4%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR PROTECTANTS

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to protectants.

Chain type	-5M	5-14M	+15M
Space	21	5	11

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS PROTECTANTS

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	78%	81%	77%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

SECURITY PRODUCTS

Not long ago there was a segment on *Good Morning America*, ABC Television's early morning show, about the rising number of car thefts in the country today and some of the aftermarket products available to protect against these crimes. This kind of publicity has propelled the security product category from what had been a fairly obscure one, to one of the more important stocked in serious aftermarket outlets today.

Even so, overall only 38% of all outlets we surveyed stocked security products. As may be expected, outlets with fewer than 5,000 automotive SKUs tended to stock security items at a lower rate than the average; only a third of them stocked these products. However, the average auto parts retailer or jobber/retailer, stocking between 5,000 and 14,000 SKUs, stocked these products at a much higher rate, with 57% of them reporting they had security products in their inventories. The rate falls off with the outlets which are basically wholesale distributors, stocking 15,000 or more aftermarket SKUs, of whom only 38% said they stocked security products.

Yet all outlets plan to stock more security products, as apparently they see growth in this product category of a much higher rate than average. In fact, those with 15,000 or more SKUs in their inventories see an annual growth rate of over a third by next year. It's definitely a growing category, everyone agrees.

Everyone also agrees on stocking two brands of security products; since the category includes fixed products such as steering wheel blockers to electronic motion detectors, often made by different companies, at least two brands are usually necessary to give consumers even a basic choice in a security system.

However, outlets with the 5,000-14,000 SKU inventory range stock an average of five security SKUs, perhaps a couple of versions of steering wheel blockers by price points and three electronic systems, also varying by price point.

Indeed, these outlets have the most experience stocking and selling security products. And they say, on average, that the market will grow 19%, that 13% of their sales of security products are wholesale while 2% of their overall sales are made up of security product sales, that their gross profit margins are 33%, they stock two brands and five SKUs of security products, they promote security items twice a year, they don't carry any private label security items, and they use four square feet to display security items. ■

SECURITY PRODUCTS PROJECTED GROWTH

We asked chains if they saw any growth in the sales of security products in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of security products.

Chain type	-5M	5-14M	+15M
Growth	13%	19%	35%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF SECURITY PRODUCTS

We asked responding chains what percentage of their security products sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of security products broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	9%	13%	11%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL SECURITY PRODUCTS SALES

We asked responding chains what percentage of their overall sales were created by the sale of security products. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	2%	2%	2%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on security products, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	31%	33%	34%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

SECURITY PRODUCTS BRANDS STOCKED

We asked responding chains how many brands of security products they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	2	2	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

SECURITY PRODUCTS SKUs STOCKED

We asked responding chains how many SKUs they stocked of security products. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	2	5	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE SECURITY PRODUCTS

We asked responding chains how many times they promoted security products annually. Then we came up with the mean number of security products promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	1	2	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label security products or not. Then we showed the mean percentages of how many chains say they have private label security products, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	0%	0%	1%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR SECURITY PRODUCTS

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to security products.

Chain type	-5M	5-14M	+15M
Space	8	4	4

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS SECURITY PRODUCTS

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	33%	57%	38%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

PRODUCT
AFTERMARKET
RESEARCH
TRADE
STUDY

SPARK PLUGS

At 82%, most outlets that sell any automotive parts, chemicals, or accessories sell at least some spark plugs. It's the fourth largest stocked product category of all those we studied.

And, growth of the spark plug category is seen by everyone stocking these items. Outlets with the fewest SKUs are the most optimistic about spark plug sales growth, seeing the market grow 9%, but the others don't feel the growth rate will be much lower than that.

Spark plugs are a vital part of every auto parts outlet's inventory. Their sales make up a larger part of overall sales, ranging from 5% for outlets with inventories smaller than 14,000 SKUs to 7% for those with more inventory. When you consider the 24-29% margins on spark plugs, they make up for a large chunk of an outlet's total take home pay.

However, spark plugs, while not difficult for virtually anyone to replace him- or herself, are quite often included as part of a professionally performed tune-up. Therefore, it's no surprise to find that across the board, over a third of all spark plug sales are wholesale.

There have been tremendous advances in spark plug technology over the past several decades. The result has been a large growth in the number of spark plug types available, ranging from exotic metal core materials used to special purpose spark plugs. The result is that while outlets stock a relatively few number of brands—in the three to four range—they stock quite a large number of SKUs in proportion. While outlets with fewer than 5,000 SKUs stock some 36 SKUs of spark plugs, those stocking more average around 160 SKUs.

Actually the typical auto parts store type outlets, those stocking between 5,000 and 14,000 SKUs, tend to stock the most spark plugs, at 170 SKUs, and perhaps for that reason promote spark plugs the most. While the other types of outlets tend to promote spark plugs only a couple of times yearly, they promote them some five times a year on average—almost once every other month.

At the same time, however, these outlets also, oddly enough, devote fewer feet of display space to spark plugs than the other types of outlets. While they give only 24 feet to their 170 SKUs, outlets with more than 15,000 SKUs devote 59 feet to 150 SKUs. And outlets with fewer than 5,000 SKUs devote more than one foot per each SKU of spark plugs.

Finally, one rarely finds private labeled hard parts, and spark plugs are no exception. ■

SPARK PLUGS PROJECTED GROWTH

We asked chains if they saw any growth in the sales of spark plugs in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of spark plugs.

Chain type	-5M	5-14M	+15M
Growth	9%	7%	6%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF SPARK PLUGS

We asked responding chains what percentage of their spark plugs sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of spark plugs broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	35%	34%	48%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL SPARK PLUG SALES

We asked responding chains what percentage of their overall sales were created by the sale of spark plugs. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	5%	5%	7%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on spark plugs, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	29%	24%	25%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

SPARK PLUG BRANDS STOCKED

We asked responding chains how many brands of spark plugs they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	3	4	3

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

SPARK PLUG SKUs STOCKED

We asked responding chains how many SKUs they stocked of spark plugs. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	36	170	150

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE SPARK PLUGS

We asked responding chains how many times they promoted spark plugs annually. Then we came up with the mean number of spark plugs promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	2	5	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label spark plugs or not. Then we showed the mean percentages of how many chains say they have private label spark plugs, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	4%	2%	2%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR SPARK PLUGS

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to spark plugs.

Chain type	-5M	5-14M	+15M
Space	38	24	59

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS SPARK PLUGS

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	74%	92%	87%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

TIRE CARE PRODUCTS

Tire care products are virtually the newest product category in the aftermarket. Yet in the short time they've been available, they've become included in the inventories of some 68% of all outlets we surveyed. Moreover, the three brands they stock on average make up a substantial 2% of all the automotive parts, chemicals, and accessories sold by outlets stocking fewer than 5,000 SKUs of products.

So they suddenly make up an important product category.

And they're a product category that promises growth, outlets of all sizes agree. Across the board, outlets see a growth of some 6% on average, a considerable greater growth rate than is projected for the national economy as a whole.

Tire care products are rarely, if ever, professionally installed. They're a DIY item, as shown by the fact that even the most wholesaling outlet reports that, on average, well under a quarter of the sales of this product category are wholesale. They're usually sold across the counter, and often as add on sales as part of a whole car-care product line, just as often on impulse.

As often with an impulse item, tire care products seem to do best in outlets with fewer than 5,000 SKUs of aftermarket products on hand, such as supermarkets and department stores. They don't have to be promoted by the outlets a great deal, especially since currently there is so much consumer advertising in the category from manufacturers. Therefore it's no surprise to see how rarely outlets promote tire care products themselves—they're letting the manufacturers do the ground-breaking introduction work.

The average outlet which stocks 5,000 or fewer automotive SKUs reports that tire care products make up some 2% of all their sales of automotive products. They stock some three brands, with four SKUs, of tire cleaners, displayed, on average, across nine linear feet. They cut their prices slightly, as shown by the fact that their gross profit margins, on average, are a couple of points smaller than those of the average auto parts stores which stock between 5,000 and 14,000 automotive SKUs. And, they're the same as outlets that stock 15,000 or more automotive SKUs, so margins have been holding steady in the whole product category.

Of the brands of tire care products stocked, as is true with most new products, few are private labels. For the present, and the immediate future at least, national brands dominate the product category. ■

TIRE CARE PRODUCTS PROJECTED GROWTH

We asked chains if they saw any growth in the sales of tire care products in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of tire care products.

Chain type	-5M	5-14M	+15M
Growth	6%	8%	4%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF TIRE CARE PRODUCTS

We asked responding chains what percentage of their tire care products sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of tire care products broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	22%	18%	23%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL TIRE CARE PRODUCT SALES

We asked responding chains what percentage of their overall sales were created by the sale of tire care products. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	2%	1%	1%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on tire care products, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	34%	37%	34%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

TIRE CARE PRODUCT BRANDS STOCKED

We asked responding chains how many brands of tire care products they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	3	3	3

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

TIRE CARE PRODUCT SKUs STOCKED

We asked responding chains how many SKUs they stocked of tire care products. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	4	6	6

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE TIRE CARE PRODUCTS

We asked responding chains how many times they promoted tire care products annually. Then we came up with the mean number of tire care products promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	1	4	1

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label tire care products or not. Then we showed the mean percentages of how many chains say they have private label tire care products, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	2%	5%	2%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR TIRE CARE PRODUCTS

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to tire care products.

Chain type	-5M	5-14M	+15M
Space	9	5	5

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS TIRE CARE PRODUCTS

We asked chains if they stocked this product or not. The following percentages are the perceniages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	60%	78%	72%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

PRODUCT
AFTERMARKET
RESEARCH
TRADE
STUDY:

TIRE INFLATORS

Tire inflators, those aerosol cans that when attached to the valve of a flat tire refill the tire and stop many leaks, are widely popular as "insurance policies" carried in the trunks of many consumers' cars. Indeed, 68% of all outlets we surveyed stocked these products. They are most popular among outlets with between 5,000 and 14,000 automotive SKUs—jobbers and jobber/retailers—of whom 84% stock them.

Although relatively new in the auto parts, chemical, and accessories world, the very usefulness of this product line has propelled it to the point where now it accounts for a very tidy 1-2% of all aftermarket outlets' sales. As well, a little over a quarter of the sales of tire inflators through all types of outlets are sold wholesale.

These are good sales, too, in that the average gross profit margins of tire inflators holds pretty evenly across the board at around 33% for outlets with relatively few automotive SKUs and 36% for outlets with 5,000+ SKUs.

And, all outlets see continued growth in the tire inflator market. Typical jobbers and jobber/retailers, who stock between 5,000 and 14,000 automotive product SKUs, expect the most growth, around 10% on average. But outlets that stock only fast moving parts, and hence stock only 5,000 or fewer automotive SKUs, expect a 5% growth in the product category. And even outlets with very deep inventories, whose sales aren't as apt to be to DIY consumers, see a growth rate of some 2% in the upcoming year.

On average, outlets stock two brands of tire inflator. However, a relatively small percentage of outlets offer a private label as one of those brands. Indeed, only outlets with deeper inventories, at least 5,000 automotive SKUs, offer private label tire inflators at any appreciable rate, and only 5-6% of them have these products. Only 3% of outlets with smaller automotive inventories stock private label tire inflators.

However, the number of SKUs on average of tire inflators does vary by outlet type. The typical jobber or jobber/retailer offers four SKUs, usually different sizes, while outlets with over 15,000 SKUs tend to offer three SKUs. Outlets with 5,000 or fewer SKUs of automotive products tend to offer only one SKU per brand.

Most outlets don't see a great need to promote tire inflators on their own. Indeed, jobbers and jobber/retailer-type outlets promote them the most, at three times a year on average. Other types of outlets typically apparently promote them only annually.

TIRE INFLATOR PROJECTED GROWTH

We asked chains if they expected any growth in the sales of tire inflators in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of tire inflators. The fewer SKUs they stocked, the more they saw growth.

Chain type	-5M	5-14M	+15M
Growth	5%	10%	2%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF TIRE INFLATORS

We asked responding chains what percentage of their tire inflator sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of tire inflators broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	26%	28%	27%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL TIRE INFLATOR SALES

We asked responding chains what percentage of their overall sales were created by the sale of tire inflators. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	2%	2%	1%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on tire inflators, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	33%	36%	36%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

TIRE INFLATOR BRANDS STOCKED

We asked responding chains how many brands of tire inflators they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	2	2	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

TIRE INFLATOR SKUs STOCKED

We asked responding chains how many SKUs they stocked of tire inflators. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	2	4	3

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE TIRE INFLATORS

We asked responding chains how many times they promoted tire inflators annually. Then we came up with the mean number of tire inflators promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	1	3	1

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label tire inflators or not. Then we showed the mean percentages of how many chains say they have private label tire inflators, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	3%	5%	6%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR TIRE INFLATORS

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to tire inflators.

Chain type	-5M	5-14M	+15M
Space	6	4	4

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS TIRE INFLATORS

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	60%	84%	71%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

PRODUCT AFTERMARKET RESEARCH TRADE STUDY

TUNE-UP PRODUCTS

Tune-up products, for the purpose of this study, include such things as wires and, where necessary, points, but not spark plugs which are a separate category. Nonetheless, three quarters of all outlets, even those which carry only fast-moving automotive SKUs, carry some tune-up products. This makes them the 15th most carried product category we studied.

In a relatively flat economy, where consumers aren't buying new cars but maintaining the ones they already have, tune-up products are very much in demand. Indeed, most outlets report about a tenth of all their sales are just in the sales of tune-up products. Of this, a good percentage of all outlets, even those with only fast-turning inventory items, report that their sales of tune-up products are to professional technicians.

And, they all see good growth in the sales of tune-up items. In fact, at around a 10% growth rate, tune-up items are projected as one of the fastest growing of all the product categories we studied. Of that, outlets with 5,000 or fewer automotive SKUs—fast turning items—see a 13% growth rate. Those with over 15,000 SKUs—deep inventories that include C, D, and W items—see the growth in the tune-up product category at some 7%.

There are a lot of products in this category, so one might expect the spread of what is stocked by different types of outlets to be quite different. And, this is indeed the case. While most outlets stock only a couple of brands, the number of SKUs carried vary from only 25 in outlets with 5,000 or fewer SKUs to some 300 in outlets with 15,000 or more SKUs.

However, the square footage devoted to tune-up products remains fairly constant among chains with 5,000 or more SKUs at only some five square feet. Even with the fewer numbers, chains with less than 5,000 SKUs give an average of nine square feet to displaying tune-up products.

This added space should pay off for the outlets with smaller inventories since the gross profit margins on tune-up products is fairly consistent across the boards. Obviously, deep price cutting isn't a major practice in marketing tune-up products, even at outlets who depend on turning their inventories quickly.

Finally, private labels haven't made a large impact among outlets stocking tune-up products. While outlets with 5,000 and more SKUs have about 10% of their inventory in tune-up products, only 4% of the tune-up inventory of outlets with fewer SKUs are private labeled. ■

TUNE-UP PRODUCTS PROJECTED GROWTH

We asked chains if they saw any growth in the sales of tune-up products in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of tune-up products.

Chain type	-5M	5-14M	+15M
Growth	13%	10%	7%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF TUNE-UP PRODUCTS

We asked responding chains what percentage of their tune-up products sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of tune-up products broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	39%	40%	50%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL TUNE-UP PRODUCT SALES

We asked responding chains what percentage of their overall sales were created by the sale of tune-up products. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	10%	7%	10%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on tune-up products, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	34%	36%	36%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

TUNE-UP PRODUCT BRANDS STOCKED

We asked responding chains how many brands of tune-up products they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	2	3	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

TUNE-UP PRODUCT SKUs STOCKED

We asked responding chains how many SKUs they stocked of tune-up products. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	25	200	300

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE TUNE-UP PRODUCTS

We asked responding chains how many times they promoted tune-up products annually. Then we came up with the mean number of tune-up products promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	2	4	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label tune-up products or not. Then we showed the mean percentages of how many chains say they have private label tune-up products, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	4%	13%	9%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR TUNE-UP PRODUCTS

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to tune-up products.

Chain type	-5M	5-14M	+15M
Space	9	5	5

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS TUNE-UP PARTS

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	68%	87%	79%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

UPHOLSTERY CHEMICALS

Upholstery chemical products are a relatively new product category in the aftermarket. Yet already some 68% of outlets we surveyed stocked and sold at least some of these products. This places them as the 13th most sold product category on the survey.

Even though the category is new, there are already a number of players in the field. The result is that across the board outlets report that they stock some three brands of upholstery chemical products. However, outlets with fewer SKUs, and therefore with mostly high turn items, tend to stock only one SKU per brand, while those with deeper inventories stock two or three SKUs of each brand, perhaps a different size container or an upholstery chemical with a different purpose.

However, as with any new product category, these chemicals have to be squeezed into a limited shelf space area. While higher turn outlets tend to display the three SKUs they stock on nine linear feet, outlets with larger inventories cram twice the number of SKUs into almost half the space.

New product categories such as upholstery chemicals are developed by manufacturers who develop the new products and their market. Private label products always follow, usually when the market for the product category tends to be relatively mature. Hence it's not terribly surprising that only a handful of outlets at all—under 5% across the boards and only 2% among high turn outlets—stock private label upholstery chemicals.

Upholstery chemicals are rarely applied by professional technicians as part of an automotive maintenance job. Even outlets with exceptionally large aftermarket product inventories, which are assumed to be mostly jobbers and major wholesale distributor outlets, report that most of their sales of upholstery chemicals are across the counter to DIYers at retail prices. Indeed, only around 18% of the sales of these products by all outlets are wholesale.

The result is that margins have been held fairly consistently, as well. Gross mean profit margins on the sale of upholstery chemicals is reported at some 35% by all outlet types.

Even so, higher volume outlets are a bit more bullish on the future growth of the upholstery chemical product sales. In all, of those stocking fewer than 5,000 aftermarket SKUs said the market would grow 6%, as opposed to all other types of outlets which said the category would grow 4%. In either case, that's a good growth pattern, especially in a lean season. ■

UPHOLSTERY CHEMICALS PROJECTED GROWTH

We asked chains if they saw any growth in the sales of upholstery chemicals in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of upholstery chemicals.

Chain type	-5M	5-14M	+15M
Growth	6%	4%	4%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF UPHOLSTERY CHEMICALS

We asked responding chains what percentage of their upholstery chemicals sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of upholstery chemicals broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	18%	17%	18%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL UPHOLSTERY CHEMICAL SALES

We asked responding chains what percentage of their overall sales were created by the sale of upholstery chemicals. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	1%	1%	1%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on upholstery chemicals, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	34%	36%	35%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

UPHOLSTERY CHEMICAL BRANDS STOCKED

We asked responding chains how many brands of upholstery chemicals they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	3	3	3

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

UPHOLSTERY CHEMICAL SKUs STOCKED

We asked responding chains how many SKUs they stocked of upholstery chemicals. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	2	6	6

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE UPHOLSTERY CHEMICALS

We asked responding chains how many times they promoted upholstery chemicals annually. Then we came up with the mean number of upholstery chemicals promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	2	3	1

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label upholstery chemicals or not. Then we showed the mean percentages of how many chains say they have private label upholstery chemicals, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	2%	4%	3%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR UPHOLSTERY CHEMICALS

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to upholstery chemicals.

Chain type	-5M	5-14M	+15M
Space	9	4	5

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS UPHOLSTERY CHEMICALS

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	58%	81%	73%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WAX & POLISH

Wax and polish products are the fourth most carried aftermarket item among those we surveyed. In all, 80% of outlets that handle aftermarket products stock and sell some sort of wax and polish products.

The wax and polish category is one of the most competitive product categories in the aftermarket today, with many brands vying for often limited shelf space. And, beyond the brands, there are types of waxes and polishes ranging from top-of-the-line carnauba waxes to colored waxes, new during the past year, and from old fashioned paste waxes to spray-on, easy-to-use waxes. So the buyer of waxes in any size outlet has a considerable problem in deciding what to stock.

As it is, among outlets we surveyed, the high volume SKU-type outlet tends to carry only one SKU or product type from each of five different brands. That is, they might carry a high-end wax from one company, a colored wax from another, and a spray-on from yet a third. Outlets with deeper inventory mixes tend to have only slightly more brand names, but a couple of SKUs or product types or sizes from each brand.

It's interesting to note, then, that the higher volume outlets, with fewer than 5,000 aftermarket product SKUs, take up just about twice the linear feet of display space for their wax and polish items than do the deeper inventory outlets. And, wax and polish products make up about a third more of their overall aftermarket product sales than they make up the total sale of the other outlet types. So, on the average, twice the space gives about a third more sales—at least in this product category. Even with their slightly lower margins, the result of more discounted pricing, their profits from the wax and polish product category are significantly better than those realized by outlets with deeper inventories.

Not only are these outlets making more money from wax and polish products, they also see more increased growth in the product category sales than do outlets with deeper inventories.

Wax and polish products are heavily advertising in all forms of consumer media such as television and magazines. Therefore, consumers are aware of brands and often go into an outlet looking for a particular product and brand. Given this, it's not a surprise that only around 5% of all the wax and polish inventory of all the different outlet types consists of private label products. ■

WAX AND POLISH PROJECTED GROWTH

We asked chains if they saw any growth in the sales of wax and polish in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of wax and polish. The fewer SKUs they stocked, the more they saw growth.

Chain type	-5M	5-14M	+15M
Growth	7%	5%	4%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF WAX AND POLISH

We asked responding chains what percentage of their wax and polish sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of wax and polish broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	23%	16%	23%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL WAX AND POLISH SALES

We asked responding chains what percentage of their overall sales were created by the sale of wax and polish. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	3%	2%	2%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on wax and polish, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	32%	34%	32%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WAX AND POLISH BRANDS STOCKED

We asked responding chains how many brands of wax and polish they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	5	7	7

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WAX AND POLISH SKUs STOCKED

We asked responding chains how many SKUs they stocked of wax and polish. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	5	15	11

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE WAX AND POLISH

We asked responding chains how many times they promoted wax and polish annually. Then we came up with the mean number of wax and polish promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	1	3	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label wax and polish or not. Then we showed the mean percentages of how many chains say they have private label wax and polish, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	5%	4%	4%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR WAX AND POLISH

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to wax and polish.

Chain type	-5M	5-14M	+15M
Space	21	10	13

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS WAX AND POLISH

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	76%	87%	81%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WIPERS

The sixth most stocked automotive product in our survey, windshield wipers and blades, is stocked and sold by 81% of all outlets.

Overall, about 3% of the sales of aftermarket products in all outlets consist of wiper sales, even though wipers are not promoted often, only a couple of times a year for most outlets.

Outlets which sell relatively few automotive aftermarket SKUs obviously discount prices on their wipers more than outlets with deeper inventories. While those stocking more than 5,000 aftermarket SKUs report some 37% margins on average, those stocking fewer than that generate average profit margins of only 32%.

Wipers are a product that take a lot of SKUs to offer adequate coverage. Indeed, although the large majority of chains offer only one or two brands, most have many more wiper SKUs. While outlets which stock few aftermarket SKUs, often outlets such as supermarkets and hardware stores, stock only ten wiper SKUs on average, the other outlets which have deeper inventory stock four times as many wiper SKUs.

Therefore, it initially may appear surprising that most outlets, regardless of type, display their wipers in roughly the same amount of linear feet, around ten. However, when one sees that only one or two brands are stocked, and most brands provide fixed displays in that size range, the display space allotted figure makes good sense, indeed.

Private labels are not a major factor in the wiper business. On the whole around 10% of outlets stock private labels, with fewer high-volume outlets stocking private label than deep inventory outlets. Of course, if you stock only one or two brands of a product such as wipers, it makes sense that both will be nationally advertised products rather than private label. This is especially so since wipers are heavily advertised in the consumer media, creating consumer demand for specific brands. And, given the relatively low price and infrequent replacement of today's wipers and blades, it is less necessary to stock a specifically lower price point brand in the product mix.

All outlets look for growth in their wiper business. Those with higher volume and turns, the outlets stocking fewer than 5,000 SKUs, see a slightly higher growth in the category than those with especially deep – over 15,000 SKUs – inventory do. But all call for continued wiper sales growth. ■

WIPER PROJECTED GROWTH

We asked chains if they saw any growth in the sales of wipers in 1992 vs. 1991. Then we divided the mean percentages of growth by chains ranked by the number of SKUs they stocked of wipers. The fewer SKUs they stocked, the more they saw growth.

Chain type	-5M	5-14M	+15M
Growth	10%	9%	7%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHOLESALE SALES OF WIPERS

We asked responding chains what percentage of their wipers sales were created by wholesale sales as opposed to retail or across the counter sales. Below are the mean percentages of wholesale sales of wipers broken down by chains organized by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean sales %	26%	35%	37%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN OVERALL WIPER SALES

We asked responding chains what percentage of their overall sales were created by the sale of wipers. Then we separated the mean percentages by chains organized by the total number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Overall sales	2%	3%	3%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

MEAN GROSS MARGINS

We asked responding chains what their mean gross margins were on wipers, then organized the mean results by chains according to the number of automotive SKUs they stock.

Chain type	-5M	5-14M	+15M
Margins	32%	38%	36%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WIPER BRANDS STOCKED

We asked responding chains how many brands of wipers they stocked. Then we broke out the mean number of brands organized by chains divided according to the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Mean brands	2	2	1

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WIPER SKUs STOCKED

We asked responding chains how many SKUs they stocked of wipers. The mean results are shown divided according to the total number of automotive product SKUs the chains stocked.

Chain type	-5M	5-14M	+15M
Mean SKUs	10	40	40

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

HOW OFTEN THEY PROMOTE WIPERS

We asked responding chains how many times they promoted wipers annually. Then we came up with the mean number of wipers promotions divided by chains listed by the number of automotive product SKUs they stock.

Chain type	-5M	5-14M	+15M
Promotions	1	3	2

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DO THEY HAVE PRIVATE LABELS

We asked responding chains if they stocked private label wipers or not. Then we showed the mean percentages of how many chains say they have private label wipers, organized by the number of automotive product SKUs the chains stock.

Chain type	-5M	5-14M	+15M
Yes	6%	14%	11%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

DISPLAY SPACE FOR WIPERS

We asked responding chains how much display space by square footage or linear footage, whichever was appropriate, they devoted to wipers.

Chain type	-5M	5-14M	+15M
Space	10	10	11

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*

WHO STOCKS WIPERS

We asked chains if they stocked this product or not. The following percentages are the percentages of those outlets that stock this particular product.

Chain type	-5M	5-14M	+15M
Stocking it	78%	92%	84%

Source: 1992 *Automotive Marketing Product/Aftermarket Research Trade Study*